

Appendix

At the request of the County Commission, we have included the Land Authority's Budget in our Annual Operating and Capital Budget.

It should be noted that the information contained in this appendix is not reflected throughout the rest of this document.



MONROE COUNTY LAND AUTHORITY

1200 TRUMAN AVENUE, SUITE 207 • KEY WEST, FLORIDA 33040
PHONE (305) 295-5180 • FAX (305) 295-5181

MEMORANDUM

To: James Roberts, County Administrator

From: Mark Rosch, Executive Director *MR*
Monroe County Land Authority

Date: June 21, 2004

Subject: Distribution of Land Authority Budget for BOCC Budget Workshop

Attached please find the Land Authority budget for FY 2005. Please include this documentation as part of the overall budget information to be distributed to the BOCC on July 14, 2004.

Please include a review of the Land Authority budget on the BOCC agenda for the budget meeting on July 20, 2004. As with regular agenda items, the BOCC should sit as the Land Authority Governing Board when reviewing the Land Authority budget.



MONROE COUNTY LAND AUTHORITY

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MEMORANDUM

To: Land Authority Governing Board
From: Mark Rosch, Executive Director *MR*
Date: June 21, 2004
Subject: Draft Budget for Fiscal Year 2005

Attached please find the Land Authority's draft budget for fiscal year 2005. The first page is the budget summary, which the Board will consider adopting after the public hearing process is completed in September. The budget summary is supported by three pages of background detail provided for informational purposes. This memo provides a review of the budget issues for 2005.

Summary

The proposed budget for FY 2005 totals \$12.8 million, which corresponds to a \$600,000 increase compared to the current year. Recurring revenues are expected to increase slightly. The \$600,000 increase reflects non-recurring revenue from the repayment of a mortgage and from the sale of property. Of the total budget, 97.5% is allocated for land acquisition and reserves, while 2.5% is allocated for administrative expenses.

Sitting as the BOCC, the Board approved Resolution 39-2004, which contemplates bonding the Land Authority's tourist impact tax revenue to provide funding for the purchase of affordable housing sites. Once the details of this bond issue are known they will be incorporated into the budget.

Review of Revenues

The Land Authority receives no property tax revenue and therefore the Board does not need to adopt a millage rate for this budget. The Land Authority's two sources of recurring revenue are collected at rates previously fixed by the Florida Legislature and by local ordinance. These revenues consist of 1) a surcharge on admissions and camping at the State parks in the Keys and 2) half of the tourist impact tax charged on lodging in the Keys. By statute, the other half of the tourist impact tax goes to the County general fund as a payment in lieu of taxes and

therefore does not appear in the Land Authority budget. Also by statute, the amount of park surcharge revenue and tourist impact tax revenue that can be spent on administrative expenses is limited to 10% and 5%, respectively. In addition to recurring revenues, over the years the Land Authority has also received various grants, proceeds from the sale of land, mortgage loan repayments, and interest income.

The upcoming FY 05 budget anticipates \$12.8 million in total revenue available, which corresponds to a \$600,000 increase compared to the current year. Recurring land acquisition revenues are expected to increase slightly. These revenues by themselves have been insufficient to support the cost of acquiring land and, as a result, fund balances are being reduced. Although sustainable through fiscal year 2005, this trend cannot continue indefinitely and would eventually require either additional land acquisition revenue or a reduction in land acquisition expenditures.

Recurring administrative revenues are expected to increase slightly in FY 2005. These revenues have always been insufficient to fund administrative expenses and are therefore supplemented with interest income, which is expected to remain constant or decline slightly. If the current environment of low interest rates combined with declining fund balances continues, eventually it may be necessary to obtain either statutory changes or outside funding to allow the Land Authority to maintain its existing staffing level.

Non-recurring revenues totaling \$1,080,000 are expected from the repayment of the Tradewinds Hammocks II mortgage loan and from the sale of Stirrup Key Hammock to the State of Florida. At this time there is no revenue anticipated from grants in FY 2005.

Sitting as the BOCC, the Board approved Resolution 39-2004 concerning a partnership agreement with the Department of Community Affairs. This resolution contemplates bonding the Land Authority's tourist impact tax revenue to provide up to \$10 million for the purchase of affordable housing sites. Once the details of this bond issue are known they will be incorporated into the budget.

Review of Appropriations

With respect to appropriations, 2.5% of the total budget is allocated for the combination of salaries and benefits, operating expenses, and office equipment. The allocation for salaries and benefits is sufficient to accommodate a 7% salary increase plus an allocation for the payment of unused annual and sick leave in accordance with BOCC policy.

The vast majority of the budget appropriations (97.5%) are for property acquisition and reserves. The allocation of funding for property acquisition is in accordance with the applicable statutes and comprehensive plan policies. By statute, the tourist impact tax collected in the Key West Area of Critical State Concern is reserved for the purchase of property within the same geographic area. In accordance with Policy 101.6.2 of the County Comprehensive Plan, funding is reserved for the administrative relief provisions of the rate of growth ordinance (ROGO). All funding not otherwise committed is budgeted in the general appropriation for property in the Florida Keys Area of Critical State Concern.

The property acquisition policies established by the budget are very general in nature. The Land Authority's annual Acquisition List and the Board's approval of purchase contracts provide more detailed statements about the specific properties to be acquired.

Staff will review the budget with the Board at the July 20, 2004 budget meeting. In the meantime, please contact the Land Authority office with any questions you may have.

ATTACHMENT A
MONROE COUNTY LAND AUTHORITY
2004/05 BUDGET - SUMMARY FOR ADOPTION
6/21/04

	Proposed Budget 2004/05	Increase/ (Decrease)	% Change	Adopted Budget 2003/04	Actual 2002/03	Adopted Budget 2002/03
Revenues:						
Intergovernmental						
Property Acquisition in Key West ACSC	950,000	95,000	11.1%	855,000	1,059,985	855,000
Property Acquisition in FL Keys ACSC	1,215,000	140,000	26.8%	1,075,000	1,336,429	1,075,000
Administration	135,000	15,000	26.1%	120,000	151,532	120,000
Cash Carry Forward						
Property Acquisition in Key West ACSC	1,215,257	(1,231,412)	-50.3%	2,446,669	1,609,169	1,471,550
Property Acquisition in FL Keys ACSC	0	0	0.0%	0	619,474	0
Unreserved	8,806,687	532,958	6.4%	8,273,729	11,941,007	11,057,540
Miscellaneous						
Interest Income	100,000	0	0.0%	100,000	202,861	100,000
Sale of Land	380,000	380,000	--	0	0	0
ROGO Dedication Fees	0	0	0.0%	0	0	0
Donation	0	0	0.0%	0	0	0
Miscellaneous	0	0	0.0%	0	0	0
Mortgage Receivable	700,000	700,000	--	0	0	0
Less 5%	(675,097)	--	--	(643,520)	--	(733,955)
Total Revenues	12,826,847	599,969	4.9%	12,226,878	16,920,457	13,945,136
Appropriations:						
Salaries and Benefits	201,000	7,900	4.1%	193,100	173,033	183,900
Operating Expenses	106,500	2,500	2.4%	104,000	58,086	119,000
Capital Outlay						
Office Equipment	10,000	0	0.0%	10,000	0	10,000
Property in FL Keys ACSC	5,094,090	2,306,676	82.8%	2,787,414	2,274,407	3,612,516
Property in Key West ACSC	2,165,257	1,146,534	112.5%	1,018,723	17,500	2,263,604
Plan 2000 FL Keys ACSC	0	(777,670)	-100.0%	777,670	0	777,670
Plan 2000 Key West ACSC	0	(62,946)	-100.0%	62,946	0	62,946
ROGO Reserve	4,250,000	430,975	11.3%	3,819,025	0	3,450,000
Grants and Aid (Mortgages)						
Property in FL Keys ACSC	0	(234,000)	-100.0%	234,000	0	2,450,000
Property in Key West ACSC	0	(2,220,000)	-100.0%	2,220,000	2,200,000	0
Reserves						
Contingency	500,000	0	0.0%	500,000	--	500,000
End of Year Cash	500,000	0	0.0%	500,000	--	500,000
Total Appropriations	12,826,847	599,969	4.9%	12,226,878	4,723,026	13,929,636

MONROE COUNTY LAND AUTHORITY
2004/05 BUDGET - BACKGROUND DETAIL
6/21/04

Revenues:	Internal Code	Proposed Budget 2004/05	Increase/ (Decrease)	% Change	Adopted Budget 2003/04	Actual 2002/03	Adopted Budget 2002/03
Property Acquisition Revenues:							
TIMP - Key West ACSC	502	950,000	95,000	11.1%	855,000	1,059,985	855,000
TIMP - FL Keys ACSC	503	855,000	95,000	12.5%	760,000	901,988	760,000
Park Surcharge	506	360,000	45,000	14.3%	315,000	434,441	315,000
Cash Carryforward:							
TIMP - Key West ACSC	--	1,215,257	(1,231,412)	-50.3%	2,446,669	1,609,169	1,471,550
TIMP - FL Keys ACSC	--	0	0	0.0%	0	619,474	0
Park Surcharge	--	0	0	0.0%	0	0	0
Subtotal for Property Acq. Revenues		<u>3,380,257</u>	<u>(996,412)</u>	<u>-22.8%</u>	<u>4,376,669</u>	<u>4,625,057</u>	<u>3,401,550</u>
Unrestricted Revenues:							
TIMP	504	95,000	10,000	11.8%	85,000	103,261	85,000
Park Surcharge	510	40,000	5,000	14.3%	35,000	48,271	35,000
DCA	--	0	0	0.0%	0	0	0
Interest Income	514	100,000	0	0.0%	100,000	202,861	100,000
Sale of Land	518	380,000	380,000	--	0	0	0
ROGO Dedication Fees	--	0	0	0.0%	0	0	0
Donation	--	0	0	0.0%	0	0	0
Miscellaneous	--	0	0	0.0%	0	0	0
Mortgage Receivable	230	700,000	700,000	0	0	0	0
Cash Carry Forward	--	8,806,687	532,958	6.4%	8,273,729	11,941,007	11,057,540
Subtotal for Unrestricted Revenues		<u>10,121,687</u>	<u>1,627,958</u>	<u>19.2%</u>	<u>8,493,729</u>	<u>12,295,400</u>	<u>11,277,540</u>
Less 5%		(675,097)	--	--	(643,520)	--	(733,955)
Total Revenues		<u>12,826,847</u>	<u>599,969</u>	<u>4.9%</u>	<u>12,226,878</u>	<u>16,920,457</u>	<u>13,945,136</u>

MONROE COUNTY LAND AUTHORITY
2004/05 BUDGET - BACKGROUND DETAIL
6/21/04

Internal Code	Proposed Budget 2004/05	Increase/ (Decrease)	% Change	Adopted Budget 2003/04	Actual 2002/03	Adopted Budget 2002/03
Appropriations:						
Salaries and Benefits:						
Salaries	135,000	7,100	5.6%	127,900	123,439	124,900
Unused Annual and Sick Leave	7,000	800	12.9%	6,200	4,391	0
FICA	12,000	0	0.0%	12,000	9,520	12,000
Retirement	15,000	0	0.0%	15,000	7,457	15,000
Group Insurance	20,000	0	0.0%	20,000	18,980	20,000
Worker's Compensation	12,000	0	0.0%	12,000	9,246	12,000
Subtotal for Salaries and Benefits	201,000	7,900	4.1%	193,100	173,033	183,900
Operating Costs:						
Legal	20,000	0	0.0%	20,000	11,340	18,000
Accounting	6,500	500	8.3%	6,000	6,338	6,000
Audit	6,500	500	8.3%	6,000	4,700	5,000
Meeting Fees and Costs	6,500	0	0.0%	6,500	3,500	6,500
Bonding Study	0	0	0	0	0	20,000
Auto Allowance	6,000	0	0.0%	6,000	6,000	6,000
Staff Travel	8,000	0	0.0%	8,000	2,059	8,000
Postage	3,000	0	0.0%	3,000	1,205	3,000
Telephone	2,000	0	0.0%	2,000	1,281	2,000
Utilities	5,500	500	10.0%	5,000	4,682	5,000
Equipment Rental	4,000	1,000	33.3%	3,000	1,224	3,000
Liability Insurance	7,000	0	0.0%	7,000	3,566	7,000
Stewardship	20,000	0	0.0%	20,000	5,710	20,000
Advertising & Legal Notices	2,500	0	0.0%	2,500	1,389	2,500
Miscellaneous	1,500	0	0.0%	1,500	734	1,500
Bank Fees	2,500	0	0.0%	2,500	2,257	500
Supplies	5,000	0	0.0%	5,000	2,101	5,000
Subtotal for Operating Costs	106,500	2,500	2.4%	104,000	58,086	119,000
Capital Outlay:						
Office Equipment	10,000	0	0.0%	10,000	0	10,000

MONROE COUNTY LAND AND AUTHORITY
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Grants and Aid (Mortgages):						
Property in FL Keys ACSC	0	(234,000)	-100.0%	234,000	0	2,450,000
Property in Key West ACSC	0	(2,220,000)	-100.0%	2,220,000	2,200,000	0
Subtotal for Property & Mortgages	11,509,347	589,569	5.4%	10,919,778	4,491,907	12,616,736
Reserves:						
Contingency	500,000	0	0.0%	500,000	--	500,000
End of Year Cash Balance	500,000	0	0.0%	500,000	--	500,000
Subtotal for Reserves	1,000,000	0	0.0%	1,000,000	--	1,000,000
Total Appropriations	12,826,847	599,969	4.9%	12,226,878	4,723,026	13,929,636